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July 20, 2011

The Honorable Bob Wieckowski  
California State Assembly  
State Capitol  
Sacramento, CA 95814

Re: **AB 506 (Wieckowski)** – As amended on July 12, 2011 – **OPPOSE**

Dear Assemblymember Wieckowski:

The County of San Bernardino has reviewed AB 506 and regrets it must oppose this bill. Recent amendments to this bill impose unnecessary and undefined state intervention into local financial disputes, interfering in local governments' ability to file for federal bankruptcy protection.

As a former local elected official, you are aware it often takes significant time to work through issues in mediation and since this bill calls for a mandate similar to mediation, there is concern that this intervention could drag on for an undefined amount of time. The onset of a fiscal crisis may be rapid, deadlines are important, particularly when counties are tasked with providing state and federally-mandated services. The state need not add another layer of bureaucracy to an already regulated process.

Additionally, AB 506 prohibits local governments from directly accessing bankruptcy protections without provisions for emergency situations that may occur. Whether this is a court case, a run on the bank or other situations, there needs to be some process for counties to opt out of the prescribed dispute resolution process. The bankruptcy option is already excruciating, and it will not be considered lightly or often by local agencies.

For the above reasons, the County of San Bernardino opposes AB 506. If you have any questions, please contact Josh Candelaria, Deputy Director of Legislative Affairs, at (909) 387-4280.

Sincerely,

**JOSIE GONZALES**  
Chair, Board of Supervisors